

HOUSE BILL ANALYSIS

SSB 6233

Title: An act relating to the developmental disabilities endowment trust fund.

Brief Description: Changing developmental disabilities endowment trust fund provisions.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators Wojahn, McDonald, Loveland, Deccio, Snyder, Spanel, Winsley, Rasmussen, Gardner, Costa, Hale, McAuliffe and Kline).

Brief Summary of Bill

- Changes and clarifies provisions of the Developmental Disabilities Endowment Trust Fund.
- Allows the State Investment Board (SIB) to invest the money held in the trust fund.

Background: Legislation enacted in 1999 established an endowment trust fund to support individuals with developmental disabilities through private contributions and public appropriations. The fund was established as a means to encourage and support families as they plan for the long-term care of individuals with disabilities.

The operations of the endowment fund are directed by a seven-member governing board. The Department of Community, Trade, and Economic Development was directed to provide staff and administrative support to the governing board. Five million dollars was appropriated by the Legislature to be used as matching funds for contributions to the endowment fund.

The 1999 legislation did not include direction regarding the operation and investment potential of the fund.

The SIB manages various state permanent funds and trust accounts.

Summary: The bill changes and clarifies provisions related to the Developmental Disabilities Endowment Trust Fund. Definitions are provided for the following: developmental disability, Developmental Disabilities Endowment Trust Fund, governing board, and individual trust account. In addition, the bill clarifies that individual trust accounts are set up within the developmental disabilities trust fund. Money held in these accounts are held in trust and invested for specific named beneficiaries.

The bill directs the Developmental Disabilities Endowment Governing Board to develop an operating plan for the endowment program. The board is directed to explore ways to support individuals with developmental disabilities who do not have contributions made on their behalf and to establish policies for using private donations.

The bill authorizes the SIB to invest and manage funds in the Developmental Disabilities Endowment Trust Fund. Any expenses related to the investment and operating costs associated with the investment board or State Treasurer will be paid from the fund. A related measure, SJR 8214, amends the State Constitution to exempt the Developmental Disabilities Endowment Trust Fund from constitutional investment restrictions. In the absence of SJR 8214, investment of the fund would be limited to fixed-income investments.

The Department of Community, Trade, and Economic Development is required to adopt rules for the implementation of policies established by the governing board.

Appropriation: None.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Fiscal Note: Requested on February 16, 2000.